

AMENDED IN ASSEMBLY JUNE 14, 2006

AMENDED IN ASSEMBLY JUNE 12, 2006

AMENDED IN SENATE APRIL 24, 2006

AMENDED IN SENATE APRIL 17, 2006

SENATE BILL

No. 1380

Introduced by Senator Chesbro

(Principal coauthor: Assembly Member Evans)

February 21, 2006

An act to add ~~Section 25242~~ *Sections 25242 and 25243* to the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 1380, as amended, Chesbro. Alcoholic beverages: California county wine.

Under existing law, the Department of Alcoholic Beverage Control regulates the licensing, enforcement, and administration of the alcoholic beverage control laws.

This bill would prohibit the sale of wine, produced, bottled, or labeled after December 31, 2008, in this state that identifies, in a brand name or otherwise, on any label, packaging material, or advertising, the names of "~~Mendocino,~~" "~~Monterey,~~" "~~San Benito,~~" "~~San Luis Obispo,~~" "~~Santa Barbara,~~" and name "~~Sonoma~~" Counties, unless the wine meets certain federal regulatory standards, as specified. *This bill would not prohibit the use of a brand name, or otherwise, which was the name of the winery owner as established prior to 1950. This bill would not apply to a multicounty appellation, as specified.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25242 is added to the Business and
2 Professions Code, to read:

3 25242. (a) (1) The Legislature finds and declares that for
4 more than a century, certain California counties have been
5 widely recognized for producing grapes and wine of the highest
6 quality. Both consumers and the wine industry associate the
7 names of those counties with the distinctive wine produced from
8 grapes grown within those counties. If producers were to use the
9 names of these counties on labels, for packaging materials, and in
10 advertising for wines that are not made from grapes grown in the
11 designated counties, consumers may be confused or deceived by
12 these practices.

13 (2) It is the intent of the Legislature to assure consumers that
14 the wines produced or sold in the state with brand names,
15 packaging materials, or advertising that mention or refer to these
16 California counties, in fact accurately reflect the origin of the
17 grapes used to make the referenced wine.

18 (b) (1) No wine produced, bottled, labeled, offered for sale or
19 sold in California shall use, in a brand name or otherwise, on any
20 label, packaging material, or advertising, ~~any of the names the~~
21 ~~name~~ of viticultural significance listed in subdivision (c), unless
22 that wine qualifies under Section 4.25a of Title 27 of the Code of
23 Federal Regulations for a county ~~or multicounty~~ appellation of
24 origin and includes on the label, packaging material, and
25 advertising the appellation of origin of the applicable county ~~or~~
26 ~~counties~~.

27 (2) Notwithstanding paragraph (1), this subdivision shall not
28 grant any labeling, packaging, or advertising rights that are
29 prohibited under federal law or regulations.

30 (c) The following ~~are names~~ *name is* of viticultural
31 significance for purposes of this section:

32 (1) ~~Mendocino, Monterey, San Benito, San Luis Obispo, Santa~~
33 ~~Barbara, and Sonoma.~~

34 (2) Any similar name to ~~those that~~ in paragraph (1) that is
35 likely to cause confusion as to the origin of the wine.

1 (d) The appellation of origin required by this section shall
2 meet the legibility and size-of-type requirements set forth in
3 either Section 4.38 or Section 4.63 of Title 27 of the Code of
4 Federal Regulations, whichever is applicable.

5 (e) Notwithstanding subdivision (b), any name of viticultural
6 significance may appear either as part of the address required by
7 Sections 4.35 and 4.62 of Title 27 of the Code of Federal
8 Regulations, if it is also the post office address of the bottling or
9 producing winery or of the permittee responsible for the
10 advertising, or as part of any factual, nonmisleading statement as
11 to the history or location of the winery.

12 (f) (1) The department may suspend or revoke the license of
13 any person who produces or bottles wine who violates this
14 section.

15 (2) The department shall issue a notice of violation to a person
16 in possession of the wine and shall hold a hearing within 15 days
17 of the issuance of the notice. If requested by any interested party
18 within five days following the issuance of the notice, the
19 department may seize wine labeled or packaged in violation of
20 this section regardless of where found, and may dispose of the
21 wine upon order of the department.

22 (3) A person that is issued a violation as required by paragraph
23 (2) may not sell or transfer the wine prior to a final determination
24 by the department.

25 (g) This section applies only to wine which is produced,
26 bottled, or labeled after December 31, 2008.

27 (h) *This section does not pertain to the use of a brand name,*
28 *or otherwise, which was the name of the winery owner as*
29 *established prior to 1950.*

30 *SEC. 2. Section 25243 is added to the Business and*
31 *Professions Code, to read:*

32 *25243. No provision of this article shall preclude use of a*
33 *multicounty appellation in compliance with Section 4.25(c) of*
34 *Title 27 of the Code of Federal Regulations.*